From: Watson & Associates Economists Ltd.

Subject: Development Charges Regulations O. Req. 82/98 Proposed Changes - London Index Series and 60% Allocations

Date: Thursday, June 26, 2025 11:45:52 AM

Attachments: Regulatory Registry Proposal 25-MMAH011 - Final.pdf

To our Municipal Clients:

In our continued efforts to keep our clients up to date on legislative changes that may impact them, we are writing to inform you of proposed regulatory changes to Ontario Regulation 82/98 under the Development Charges Act, 1997. This letter provides a summary of the proposed changes and commentary on potential impacts to municipalities.

The Province is seeking comments via the Regulatory Registry at the following link: https://www.regulatoryregistry.gov.on.ca/proposal/50953. We will be submitting our comments prior to the deadline of July 23, 2025.

There are two proposed changes to Ontario Regulation 82/98:

- 1. Enable Use of the Statistics Canada Non-Residential Building Construction Price Index for London; and
- 2. Expand the Requirement for Municipalities to Spend or Allocate 60% of Development Charge Reserve Funds to all Eligible Services.

The proposal only provides a summary of the proposed changes and not the exact wording to be included in the regulation. As such, the following commentary is based on the summary provided by the Province and will be further reviewed upon release of the actual amendment to the regulation.

Note: no implementation dates for the proposed regulatory changes have been provided.

If you have any questions regarding the implications of these changes for your municipality and next steps that may be required, please do not hesitate to contact us.

Yours very truly,

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